#### ON-SITE SYSTEMS, INC.

A PUBLIC UTILITY CO.

00 777 11 77 3 15

May 11, 2000

Mr. David Waddell Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

00-00379

RE: Petition to amend Certificate of Convenience and Necessity

Dear Mr. Waddell:

On-Site Systems Inc. desires to expand its service area to include two developments in Sevier County, one is known as Hidden Springs Resort, the other is Starr Crest. One sewer system will serve both developments, which have adjoining property. We would like for this system to be known as Hidden Springs Resort.

Sincerely,

Charles Pickney, Jr., President

On-Site Systems, Inc.

## BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

| , 2000   |
|--|
| IN RE: PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY DOCKET No |
| Petition of On-Site systems, Inc. to amend its Certificate of Convenience and Necessity                  |

On-Site Systems, Inc. ("On-Site") petitions the Tennessee Regulatory Authority ("TRA") to amend On-Site's Certificate of Convenience and Necessity to expand its service area to include a portion of Sevier County known as the Hidden Springs Resort and the Starr Crest Development. They are located off of Nucum Hollow Road and Backhome Way. (See Exhibits A & B) The developments will supply their own water. The Sevier County Government has no desire to provide sewer service to this area. The nearest city is Pigeon Forge and they do not provide service outside the city limits. (See attached letters.)

The proposed service area is comprised of approximately 124 acres.

Respectfully submitted,

Charles Pickney Jr., President

On-Site Systems, Inc.

## On-Site Systems, Inc. Sewer Service Billing Summary

#### **Residential Sewer Rates**

| System   | Monthly<br><u>Charge</u> | Amount<br>to be<br>Escrowed | Tariff<br>Sheet<br><u>Number</u> |
|--|--------------------------|-----------------------------|----------------------------------|
| Oakwood Subdivision - Maury County             | \$36.67                  | \$10.13                     | 2                                |
| Southridge Subdivision - Montgomery County     | 19.38 + act cost         | \$6.35                      | 3                                |
| Swan Harbor - Roane County                     | \$35.11                  | \$10.13                     | 4                                |
| River Road Utility District - Cheatham County  | \$31.15                  | \$7.55                      | 5                                |
| Milcrofton Utility District - Williamson Conty | \$37.21                  | \$10.13                     | 6                                |
| Tall Oaks Subdivision - Blount county          | \$35.11                  | \$10.13                     | 7                                |
| Yoakum Hollow Dev. (Windsor Pt) - Campbell Co. | \$35.11                  | \$10.13                     | 8                                |
| Shreibman Development - Cannon County          | \$35.11                  | \$10.13                     | 9                                |
| Cornerstone of Mitchell Creek - Overton County | \$35.11                  | \$10.13                     | 10                               |
| Bolton Area - Shelby County                    | \$32.68                  | \$8.43                      | 12                               |
| Harbor Pointe - Dekalb County                  | \$35.11                  | \$10.13                     | 13                               |
| Hidden Springs Resort - Sevier County          | \$35.11                  | \$10.13                     | 14                               |

Fees: Nonpayment - 5%, Disconnection - \$10, Reconnetion - \$15, Returned Check - \$20, Access - \$84/yr

# On-Site Systems, Inc. Sewer Service Billing Structure Hidden Springs Resort Sevier County

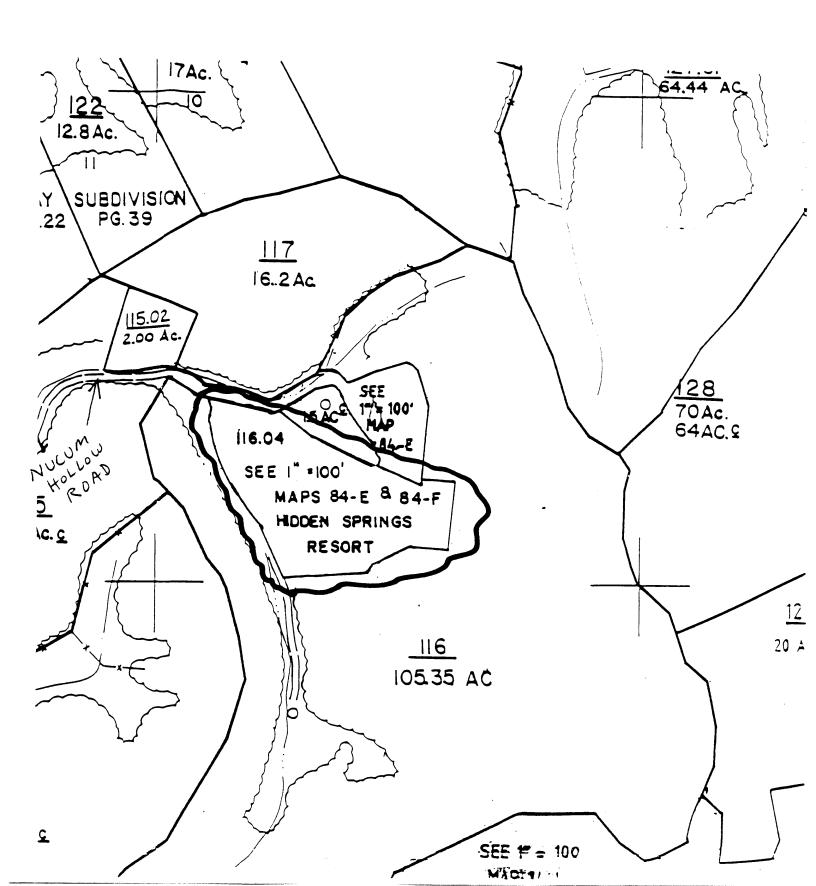
#### **Residential Sewer Rate**

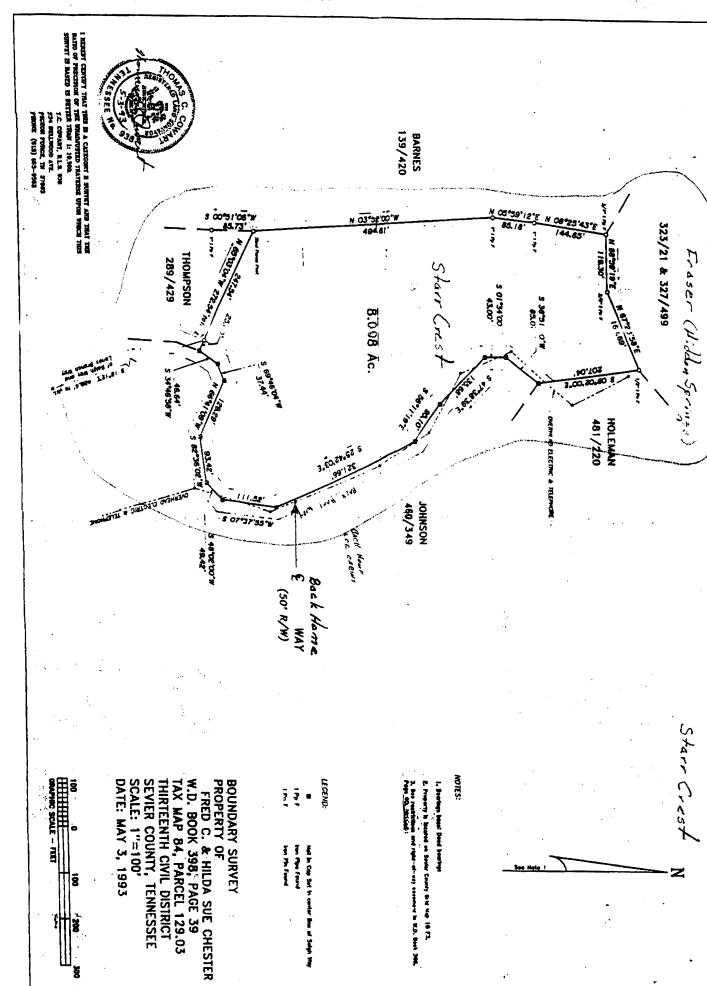
|   | Amount                   |                          |                      |
|---|--------------------------|--------------------------|----------------------|
|   | Monthly<br><u>Charge</u> | to be<br><u>Escrowed</u> | Reference<br>Exhibit |
| Collection System Maintenance and operation                   | \$8.95                   | \$6.35                   | 1                    |
| Treatment system costs - for Sand - Gravel Filter System      | \$6.23                   | \$2.90                   | 2                    |
| Utility costs - Sand - Gravel Filter treatment & Pump station | \$1.30                   | 0                        | 3                    |
| Disposal system costs - using drip irrigation                 | \$1.53                   | \$0.88                   | 4                    |
| Sampling and Testing costs - Required by State of Tennessee   | \$7.00                   | 0                        | 5                    |
| Billing and collection costs                                  | \$1.50                   | 0                        | 6                    |
| Miscellaneous Costs   | \$0.40                   | 0                        | 7                    |
| State of Tennessee Department of Environment Annual Fee       | \$0.52                   | 0                        | 8                    |
| Bonding costs - Required by Campbell County                   | \$0.00                   | 0                        |                      |
| Franchise - Excise Taxes - Utility Company                    | \$0.82                   | 0                        | 10                   |
| Public Utility Ad Valorum Tax                                 | \$0.95                   | 0                        | 11                   |
| Federal Taxes   | \$1.11                   | 0                        | 12                   |
| Local management fee  | \$2.00                   | 0                        | 13                   |
| Corporate management fee                                      | \$2.80                   | 0                        | 14                   |
| Total   | \$35.11                  | \$10.13                  |                      |

Fees:Non payment- 5%, Disconnection- \$10, Reconnection-\$15, Returned Ck - \$20, Access - \$84/yr (See Rules and Regulations for explanation)

|        | ctive |  |
|--------|-------|--|
| $-\pi$ | M11/A |  |

## EXHIBIT A







March 7, 2000

Mr. Michael Hines, M.S., P.E.
Principal
Southeast Environmental Engineering, LLC
1920 Breezy Ridge Trail
Concord, Tennessee 37922

Dear Mr. Hines:

In response to your November 1999 letter, regarding sewage collection, treatment and disposed services to Eagle Crest Chalcts, Hidden Springs Resort or the Ussery No. 1 property on Patterson Lead, I wanted to advise you the city's current policy.

Presently, the City of Pigeon Forge does not allow any resident or any development outside the corporate limits to tie into the city's system. Because of the growth occurring inside the city, I do not foresee any change in this policy any time soon.

If you have any questions any time, please call Director of Public Works Mark Milier or myself.

Sincerely,

CITY OF PIGEON FORGE

reline staster

Earlene M. Teaster City Manager

EMT:sg

xc: Mark Miller, Director of Public Works

February 10, 2000

Mr. Michael Hines, M.S., P.E. Principal Southeast-Environmental Engineering, LLC. 1920 Breezy Ridge Trail Concord, Tennessee 37922



SEVIER COUNTY

LARRY WATERS
County Executive

Room 201E 125 Court Avenue Sevier County Court House Sevierville, Tennessee 37862 Office: (423) 453-6136 Home: (423) 436-4796 FAX: (423) 453-6830

Dear Mr. Hines,

In response to your letter and verbal requests, Sevier County does not provide sewage collection, treatment and disposal services to the Eagle Crest Resorts, Hidden Springs Resorts, or Ussery #1 properties. If you have additional questions, please call me.

Sincerely,

**Larry Waters** 

**County Executive** 

LW/sm